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August 19, 2021

VIA ELECTRONIC FILING

Jocelyn G. Boyd, Esquire
Chief Clerk & Administrator
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 100
Columbia, South Carolina 29210

RE: Application of Duke Energy Progress, LLC for Approval of the Transfer and Sale
of Property in Holly Springs, North Carolina
Docket No. 2021-254-E

Dear Ms. Boyd,

By this letter, the South Carolina Office of Regulatory Staff ("ORS") hereby notifies the Public Service Commission of South Carolina ("Commission") that ORS has reviewed the filing submitted by Duke Energy Progress, LLC ("DEP" or the "Company") for approval of the transfer and sale of certain real estate ("Application") known as the Holly Springs, NC property (the "Property").

Overview of Company's Request

South Carolina Code Ann. § 58-27-1300 requires DEP to obtain approval from the Commission when the Company seeks to "sell, assign, transfer, lease, consolidate, or merge its utility property" with a fair market value in excess of \$1,000,000.

The Property consists of certain real estate that is not required for the Company's current utility operations. The Property consists of a 214.71-acre tract and is located on both sides of Friendship Road in Wake County, North Carolina. The Property was acquired by DEP-predecessor Carolina Power & Light as part of the development of the Shearon Nuclear Plant. The Property is currently owned by DEP and has been determined to be a surplus. The Company has entered a contract to sell the Property to Helix Ventures LLC, ("Helix") for \$9,661,950, which is not affiliated with the Company in any way. The Application states that the Property has a tax value of \$763,216.90 and a current net value of \$116,319.

The Company noted that the original cost of the Property being sold will be credited as a reduction of the amount carried upon the books of DEP under Account 101, "Electric Plant in Service." In accordance with the Federal Energy Regulatory Commission Uniform System of Accounts prescribed for public utilities, as adopted by the Commission, any gain realized from this transaction related to the building will be credited to depreciation reserves and any gain from this transaction related to the land will be recorded in Account 421.1000 entitled "Gain on Disposition of Property."

ORS Recommendation

ORS reviewed the Company's Application, the Property appraisals, as well as South Carolina Code Ann. § 58-27-1300 and prior filings by the Company regarding the sale of property. This request will not involve a change to any of DEP's retail rates or prices, require any change in any Commission rule, regulation, or policy, and the transaction will not affect the Company's ability to provide reliable service to its customers. ORS does not object to the Company's request for approval to sell the Property.

Please do not hesitate to contact me.

Sincerely,



Christopher M. Huber

by 
w/ express permission

cc: All Parties of Record (via e-mail)
David Butler, Esquire (via e-mail)